



## Hawaii Regional CG Retiree Council Newsletter

Aug 8, 2012



### **QUARTERLY COUNCIL MEETING, WEDNESDAY 08 Aug 2012** **HAPPY COAST GUARD DAY!**

Our next quarterly meeting is at 1900 on **Wednesday 08 Aug** at Club 14. Normally the meetings are held the second Wednesday of the second month of each quarter. We usually complete any business within an hour preceded and followed by a social adjustment period. Let us know if you are not a regular attendee but have an idea or two that might make you more inclined to join. Rod will be with you, I am on the sea this time.

### **OUR WESITE**

It is straight forward and has a link to forward any questions to Rod and Tom. Our newsletter is attached to the site so that it can be opened and viewed. Website: <http://www.uscg.mil/d14/cmd/assoc/rc/> Pass it on to your friends and fellow retirees!

### **EMAIL**

If you know of any retiree with an e-mail and would like to receive this please have them get a hold of Rod or Tom and we will set you up. If you want to get a message out to everybody on our email list, please send it to Tom or Rod who will, if its "politically correct", relay it to all hands as blind copies. You can call Tom @ 672-9065 (home) or 221-3274 (cell). Please leave a message if I don't pick up.

### **BINNACLE LIST**

I have not received any word of any of our shipmates who have passed away or ill.

If you know of any local retirees or retiree spouses who are sick or have passed away, please contact: Tommy Dutton Council Co-Chair's [DuttonM003@Hawaii.RR.Com](mailto:DuttonM003@Hawaii.RR.Com) or Rod Schultz, [schultz369@gmail.com](mailto:schultz369@gmail.com)

### **QUESTION ON RETIREE DEATH NOTICES on PSC Website**

Our website has been updated to provide a monthly listing of retirees who have crossed the bar. The first list was posted this month. You will find this information on the RAS website, left hand side of the page under TAPS.

<http://www.uscg.mil/ppc/ras/>

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SUBJ: COMMANDANTS INDEPENDENCE DAY MESSAGE - WHY WE STAND THE WATCH

1. Shipmates, two-hundred and thirty six years ago tomorrow, our founders adopted the principles that set the United States on her great voyage. We continue to uphold those principles today through dedication and sacrifice.
2. The liberty that was wrought from our independence and we enjoy today must be guarded with vigilance, for its ideals and existence that inspire all people also threatens tyranny and those who do not believe in equality and the unalienable right of all people to life, liberty and the pursuit of happiness.
3. This is why we serve. This is why we sacrifice. It is a privilege we share with all the women and men in our Armed Forces, and one that our Coast Guard has had the honor of carrying out for almost two hundred and twenty two years.
4. For those of you on watch, thank you for protecting our independence, and your families for their sacrifice that allows you to serve. If you are fortunate to celebrate our Nations independence with family, friends, and loved ones, please do so responsibly and safely. Look out for your shipmates with the same dedication that you serve the Nation.
5. Happy Independence Day. Stand a taut watch. Semper Paratus.
6. Admiral Bob Papp, Commandant, sends.
7. Internet release authorized.

### **SHIPMATES 23: COAST GUARD BIRTHDAY - FOCUS ON PROFICIENCY**

1. Shipmates, I recently had the great privilege of visiting the headquarters of the National Archives, where the archivists showed me the original legislation which gave us our beginning, signed by President George Washington on the 4th of August, 1790. This was a very special event that vividly reminded me of the connection our Service has to the history of the United States of America. This year, as we celebrate the 222nd birthday of the U.S. Coast Guard, we will dedicate time to honor our profession by focusing on proficiency throughout the Service.
2. I invite you to view a Coast Guard Day video message from me and Master Chief Petty Officer of the Coast Guard Leavitt using the following links: <http://www.dvidshub.net/video/150864/coast-guard-birthday-message-admiral-robert-papp-and-masterchief-michael-leavitt> or [http://cgvi.uscg.mil/media/main.php?g2\(underscore\)itemId\(equal\)1704240](http://cgvi.uscg.mil/media/main.php?g2(underscore)itemId(equal)1704240)
3. The Coast Guard remains an organization undergoing change while sustaining a broad range of operations and support activities across a diverse range of missions. Increased activity in the Arctic, the continued flow of drugs and migrants toward our shores, threats to fisheries, and our mandate to assure the safe and secure approach to American ports all confront us like uncertain and stormy seas-and all in the context of shrinking budgets. At the same time, however, we must rely on the enduring anchors that define us as Coast Guardsmen - members of the profession of arms - and that are crucial to our success: proficiency in craft, proficiency in leadership, and disciplined initiative.
4. This week I published an article linked below that communicates my vision and intent on proficiency, why it is important, what the service is doing to improve it, and what I expect of each of you. <http://tinyurl.com/cff9hzh>. I encourage you to read it and discuss it with your shipmates.
5. Proficiency in craft, proficiency in leadership, disciplined initiative-these are the anchors upon which we will hold fast in the uncertain and stormy seas that we are facing.
6. Beyond the current situation, they are enduring. Their value and necessity to our ethos and our mission success is proven in our rich heritage and the long blue line of Coast Guard men and women who have gone before us. They will sustain us in the future as they do now and have before.
7. Within the next 30 days, commanding officers and officers-in-charge shall discuss the contents of the article at quarters or an appropriate muster. I encourage you to continue these discussions in the mess deck and hangar deck, Chiefs Mess, wardroom, and among staffs and teams.
8. As we face uncertain and stormy seas, current threats, or future challenges, I am always confident that we will succeed because of the great men and women of our Coast Guard. I am proud to be your Commandant. Linda and I want to take this opportunity to thank you -our Active Duty, Reserve, Civilian and Auxiliary members as well as our retirees and all of our Coast Guard families, for your service, sacrifice and dedication to duty.
9. We are Coast Guardsmen. This is our chosen profession. This is our way. This is what we do.
10. Stand a Taut Watch. Semper Paratus.
11. Admiral Bob Papp, sends.
12. Internet release authorized.

### **JARVIS' DECOMMISSIONING CEREMONY**

Captain Richard I Mourey, CO of the CGC Jarvis, sent this July 20 2012:

"JARVIS' decommissioning ceremony is firming up for a scheduled date of 5 October 2012 in Honolulu. ENS In Choi is our project lead under the guidance of the XO.

Jack - Any way we can ask for your help to determine who will be attending from crews past?

Best regards"

Jack Writes:

OK, we have a date and I will be compiling a list of the names and addresses if you are planning on attending the events on October 5th 2012. I will share the names each week with ENS Choi. If your address and phone number is not in my database please let me know. I'm sure they will need to know if you are attending alone or with someone (counting seats). If you have a guest please share their name. Let me know no later than 15 September to allow ENS Choi time.

If you have a question please let me know. FYI: No Hotel or any other facility has been assigned or arranged, you are on your own.

Please forward this to all Coasties in hopes of finding Jarvis crewmembers. Please do it before the decommissioning not afterwards.

Semper Paratus

MCPO Jack Hunter USCG (Ret)

303-797-3136

[jhunter@minnetonkawhec67.org](mailto:jhunter@minnetonkawhec67.org)

## **SOCIAL SECURITY STATEMENT AVAILABLE ON LINE**

Michael J. Astrue, Commissioner of Social Security, today announced an online version of the Social Security Statement is now available at [www.socialsecurity.gov](http://www.socialsecurity.gov). The new online *Statement* provides eligible workers with secure and convenient access to their Social Security earnings and benefit information.

"Our new online Social Security Statement is simple, easy-to-use and provides people with estimates they can use to plan for their retirement," Commissioner Astrue said. "The online *Statement* also provides estimates for disability and survivors benefits, making the *Statement* an important financial planning tool. People should get in the habit of checking their online *Statement* each year, around their birthday, for example."

In addition to helping with financial planning, the online *Statement* also provides workers a convenient way to determine whether their earnings are accurately posted to their Social Security records. This feature is important because Social Security benefits are based on average earnings over a person's lifetime. If the earnings information is not accurate, the person may not receive all the benefits to which he or she is entitled. The online *Statement* also provides the opportunity to save or print the personalized *Statement* for financial planning discussions with family or a financial planner.

To get a personalized online *Statement*, people age 18 and older must be able to provide information about themselves that matches information already on file with Social Security. In addition, Social Security uses Experian, an external authentication service provider, for additional verification. People must provide their identifying information and answer security questions in order to pass this verification. Social Security will not share a person's Social Security number with Experian, but the identity check is an important part of this new, robust verification process.

Once verified, people will create a "My Social Security" account with a unique user name and password to access their online *Statement*. In addition, the portal also includes links to information about other online services, such as applications for retirement, disability and Medicare.

It is important to note, however, Social Security anticipates some members of the public will not be able to be verified through this process. Some people may not correctly answer the security questions based on information on file with Experian, and others may supply identifying information that does not match their Social Security records. In instances where this occurs, people will have the option to request a paper Social Security Statement be mailed to them. People who cannot verify online initially also may visit their local Social Security office and present an identity document in order to create an account and gain access to the online version of the *Statement*.

In February 2012, Social Security resumed mailing paper *Statements* to workers age 60 and older if they are not already receiving Social Security benefits. Later this year, the agency plans to mail paper *Statements* to workers in the year they reach age 25.

For more information about the new online *Statement*, please go to [www.socialsecurity.gov/mystatement](http://www.socialsecurity.gov/mystatement).

## **Rebalancing Military Compensation: An Evidence-Based Approach**

The CSBA Rebalancing Military Compensation study was released 12 JUL at the National Press Club. This groundbreaking study presents a new approach for optimizing the military compensation system. Rather than focusing exclusively on reducing costs, the study looks at options for getting better value from the compensation system by shifting funds from undervalued forms of compensation to more highly valued forms of compensation. The study draws on the results of a survey of more military personnel, retirees, and dependents to develop a quantitative understanding of how service members value different forms of compensation. The new survey results can be seen at <http://www.csbaonline.org/publications/2012/07/rebalancing-military-compensation-an-evidence-based-approach/>.

It found that senior military officers place a high value on retirement benefits and health care for their families while junior enlisted personnel tend to favor increases in pay. Active-duty service members at the lower end of the pay scale would prefer higher basic pay over other forms of compensation, even if it meant shelling out more for their health care in retirement, the survey from the Center for Strategic and Budgetary Assessments found. The lure of a pay boost is much more enticing to junior personnel than to those in the senior ranks: Increasing basic pay for those with less time and experience in the military had six times more impact per dollar than raising it for senior officers. "This finding calls into question the wisdom of across-the-board pay raises," the report said. Still, 89 percent of midcareer service members who participated in the survey said they would prefer a \$350 boost in annual pay in exchange for higher TRICARE Prime fees once they retire.

Service members at all career levels did not value the free TRICARE for Life benefit commensurate to the program's cost to the Defense Department, the survey found. TRICARE for Life beneficiaries do not pay enrollment fees but are responsible for Medicare Part B premiums. Those over 65 beneficiaries accounted for 48 percent of all Defense health care cost increases between 2000 and 2005. "DoD could rebalance the allocation of resources to move funding from undervalued forms of compensation, such as free TRICARE for Life, to more highly valued forms of compensation, such as basic pay," the report stated. "Rebalancing the compensation system would reduce costs while maintaining or improving the perceived value for service members."

CSBA looked at how respondents valued certain types of compensation rather than the costs associated with them. Defense should look at recalibrating compensation based on service members' priorities and where they are in their military careers by surveying personnel and their families periodically, said Todd Harrison, a senior fellow for defense budget strategies at CSBA and author of the report. "I think military people are more open to change than people realize," he said. "I think they are more open to it than even they realize." Harrison said Defense should take a more comprehensive approach to overhauling military compensation rather than its traditional "piecemeal" approach. "It shouldn't be just about cutting benefits or keeping faith [with service members] to maintain the status quo," Harrison said. "It's about getting better value." Personnel costs account for one-third of the Defense budget, and reforming the pay and benefits of service members, particularly retirees, is a controversial topic. The Pentagon needs to save money while also attracting and retaining a strong military; its compensation system "has failed to adapt to the unique needs of an all-volunteer military," the report said. According to the Pentagon, during the past 12 years, basic pay has increased 62 percent, retirement costs have risen 78 percent and health care costs have spiked a whopping 203 percent.

CSBA's survey included 2,655 respondents, 54 percent of whom were active-duty personnel. Harrison said senior officers were overrepresented in the study sample compared to more junior personnel. Senior officers are 6 percent of the active-duty population, but comprised 32 percent of the survey. Junior enlisted personnel are 45 percent of active-duty troops but were only 5 percent of the survey's respondents. So, the results of the study were not analyzed in the aggregate "because of clear differences in demographics between the study sample and actual active-duty population," the report stated. Other findings from the survey included:

- \* Service members did not place a high premium on performance-based bonuses relative to the cost of implementing them. The latest Quadrennial Review of Military Compensation released in June recommended Defense make greater use of such incentive pay.

- \* Service members in all groups preferred maintaining the service requirement of 20 years for retirement benefits versus lowering it to 15 years.

- \* More than 80 percent of service members in all age groups preferred a 1 percent boost in basic pay in exchange for raising the age at which service members can collect their pensions to 50.

- \* The value respondents placed on military exchanges and commissaries outweighed the cost of those benefits to Defense.

- \* Of the additional benefits to military personnel, service members prized most highly their choice of duty station and length of tour.

The only significant proposal affecting military pay and benefits that the Obama administration has pushed so far relates to TRICARE. The recommendations in Obama's fiscal 2013 proposal would increase fees for retirees under the family plan over the next five years, with those in the upper-income bracket seeing the biggest hike. The administration also supports requiring TRICARE for Life beneficiaries to pay an enrollment fee. Many concerns over changes to military compensation stem from fears that retirees or those close to retirement will lose out on the benefits promised to them over a lifetime of service. Defense Secretary Leon Panetta has pledged not to break faith with service members over compensation, but his message has not always resonated. Harrison noted that while paying attention to service members' priorities and behaviors when it comes to pay and benefits is crucial to making wise budget decisions, it's also important for policymakers to judge the pros and cons of certain kinds of compensation on their own merits. For example, even if service members indicate they do not highly value free health care over other compensation, the country benefits from a fit military. [Source: GovExec.com Kellie Lunney article 12 Jul 2012 ++]

### **House votes to ban Tricare for Life fees**

By Rick Maze - Staff writer

Posted : Friday Jul 20, 2012 11:42:19 EDT

The House voted Thursday to prohibit the Defense Department from spending any money to implement an enrollment fee on Tricare for Life, the Tricare health plan for retirees age 65 and older.

The ban, passed by voice vote as an amendment to the 2013 defense appropriations bill, is not actually necessary to prevent a fee hike. Although the Defense Department has proposed a \$200 annual fee for the health care benefit for Medicare-eligible military retirees and their families, Congress has not authorized the payment.

Both the House and Senate versions of the 2013 defense authorization bill omit the Pentagon's plans for Tricare fee increases, making it unlikely — but not necessarily impossible — for the new enrollment fee to be charged.

That didn't stop Rep. Cliff Stearns, R-Fla., from proposing, and the House from quickly accepting, an amendment that puts another stake in the heart of the Pentagon proposal.

"It is unconscionable that this administration seeks to raise health care costs on more than 9.3 million veterans and their families that are currently eligible for Tricare when there are other excesses that can surely be cut," Stearns said.

The \$608 billion defense appropriations bill passed the House on a 326-90 vote. The Senate has not yet started writing its version of the bill.

The American Legion, the nation's largest veterans group, and the Florida department of Veterans of Foreign Wars supported Stearns effort.

Fang Wong, the Legion's national commander, said his organization's position is that Tricare fees should not be increased "before all efforts have been exhausted to remove waste, fraud and abuse from the Tricare program."

While acknowledging the House and Senate armed services committees had both rejected the Tricare for Life enrollment fee, Wong said he doesn't feel comforted.

The White House "has threatened a veto of the defense bill, in part because it does not include increased health care fees for members of the military," he said. "As such, the threat of higher health care fees continues."

While the White House's Office of Management and Budget did issue a policy statement threatening to veto the defense authorization bill for several reasons, the Tricare fees were not among them.

Instead, the statement says the Obama administration is "very disappointed" the fee hikes are not included — but there is no threat of a presidential veto directly related to the health care fees.

The statement asks the House of Representatives "to reconsider the Tricare fee proposals, which are essential for DoD to successfully address rising personnel costs."

<http://www.navytimes.com/news/2012/07/military-house-votes-to-ban-tricare-for-life-fees-072012/>

### **Changes Coming in TRICARE Rx Copays**

Last week's legislative update summarized key differences between the versions of the FY2013 Defense Authorization Bills approved by the House (HR.4310) and the Senate Armed Services Committee (S.3254).

Both bills would effectively kill most of the Pentagon-proposed TRICARE fee hikes.

Beneficiaries age 65 and older won't see any enrollment fee for TRICARE for Life (TFL)

Beneficiaries under age 65 won't see any TRICARE Standard enrollment fee and won't see any increase in the Standard deductible

Beneficiaries under age 65 will see only a 3.6% increase in their TRICARE Prime enrollment fee as of October 1 - the same percentage increase as the 2012 COLA, thanks to the COLA cap we won in last year's defense authorization act

No beneficiaries will have their TRICARE fees means-tested

But there will be some increases in TRICARE pharmacy copays, and the only issue is how big the hikes will be. That's where the House and Senate bills take significantly different approaches.

The Senate bill is silent on the pharmacy copay issue. Since current law gives the Secretary of Defense authority to set pharmacy copays, the Senate bill silently endorses the Pentagon-proposed plan to more than double the copays this year, and triple them over the next five years.

The problem the Senate Armed Services Committee faced in stopping the proposed Rx copay hikes lies in Senate budget rules that require the Committee to find other offsetting cuts in either military retirement, survivor benefits, or other TFL benefits.

Why? Because the offset law applies to so-called "mandatory spending" programs, and that includes any benefit funded through a trust fund - which TFL is.

When the Pentagon proposed higher Rx copays for TFL beneficiaries, it reduced the budget for TFL spending by the government - with the difference made up by the assumed revenues from higher copays.

To reduce or bar the copay hikes, the Committee would have to replace the lost revenue by increasing government spending on TFL. And that requires an offsetting spending cut.

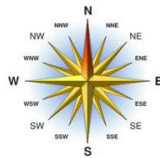
The Senate didn't want to identify an offset - which meant letting Pentagon leaders double and triple Rx copays.

The House thought those copay increases were so bad that they came up with an alternative offset that did three things:

It substantially reduced the Pentagon-proposed copay increases for FY2013

It put a statutory cap on any increases after FY2013, so that the percentage increase in Rx copays in any year couldn't exceed the retired pay COLA percentage

To pay for these, it established a five-year pilot program that would require TFL beneficiaries to use the mail-order system for at least one year to refill any maintenance medications (waivers would be allowed under certain hardship or other conditions); after one year, beneficiaries could opt out of mail-order participation



## **Hawaiian Islands CGOA Leadership Luncheon**

**Keynote Speaker: Major General Darryll Wong,  
Adjutant General  
State of Hawaii, DOD**

**Location: Club 14**

**Date/Time: Friday, Aug 24th (1115 – 1300)**

**Uniform: Uniform of the Day**

**Cost: \$10.00**

**Please RSVP NLT 15 Aug**



**To sign up contact**

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